

The SHOP Marketplace and the Small Business Health Care Tax Credit

One reason you may want to consider buying coverage for your employees through the SHOP Marketplace is that you may be able to claim a Small Business Health Care Tax Credit worth up to 50% of your premium contributions, (up to 35 percent for tax-exempt employers.)

To qualify for the tax credit, all of the following must apply:

- You have fewer than 25 full-time equivalent (FTE) employees
- Your average employee salary is about \$50,000 per year or less
- You pay at least 50% of your full-time employees' premium costs
- You have employees enrolled in coverage through the SHOP Marketplace

You don't need to offer coverage to your part-time employees (those working fewer than 30 hours per week) or to dependents to qualify for the tax credit.

The SHOP Tax Credit Estimator can help determine if your business may qualify for the Small Business Health Care Tax Credit, and if it does, how much it could be worth to you. Visit HealthCare.gov/small-businesses/small-business-tax-credit-calculator/.